

## Message Text

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ACTION EB-11

INFO OCT-01 NEA-10 ISO-00 CIAE-00 COME-00 DODE-00 FMC-04

INR-10 NSAE-00 RSC-01 CG-00 COA-02 DOTE-00 L-03 AID-20

DRC-01 /063 W

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R 041200Z SEP 73

FM AMEMBASSY COLOMBO

TO SECSTATE WASHDC 2787

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E.O. 11652: N/A

TAGS: ETRN, CE

SUBJ: US/SRI LANKA OCEAN SHIPPING

REF: STATE 174515

1. SEPT 1, 1973 CONVERSION OF TWO-YEAR OLD CEYLON FREIGHT BUREAU TO STATUTORY BODY STYLED "CENTRAL FREIGHT BUREAU OF SRI LANKA" (CFB) WILL NOT AFFECT IMMEDIATELY OPERATIONS US/SRI LANKA CONFERENCE AND SHOULD NOT CAUSE ANY DIFFICULTIES OR INTERRUPTIONS OF SHIPPING SERVICE TO US, AT LEAST IN NEAR TERM. FOREGOING IS BASED ON EARLIER INVESTIGATIONS BY EMBASSY, RECENT NEWSPAPER COVERAGE OF CFB ESTABLISHMENT, AND SEPT 4, CHECK WITH SENIOR CFB OFFICIAL. LONG-RANGE EFFECT, HOWEVER, IS NOT KNOWN AND COULD HAVE UNFAVORABLE IMPACT ON US INTERESTS.

2. ACCORDING TO CFB SOURCE, THERE WILL BE NO PRECIPITATE CHANGE IN US/GSL CONFERENCE RELATIONS WITH CEYLONESE SHIPPERS. FOR INDEFINITE PERIOD CFB WILL NOT INTERFERE WITH ARRANGEMENT BETWEEN ANY SHIPPER AND ANY LINE. LAW, HOWEVER, DOES DECLARE NULL AND VOID PREVIOUS CONFERENCE AGREEMENTS WITH CEYLONESE SHIPPERS AND REQUIRES ALL CONFERENCES TO PRESENT TO CFB NEW

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PROPOSAL INCLUDING ALL TERMS AND RATES. CFB SOURCE

STATED GSL RECOGNIZES COMPLEXITY AND TIME REQUIRED FOR SUCH PRESENTATION. WHEN EMBOFF SUGGESTED FOUR TO SIX MONTHS TO COMPLETE SUCH NEGOTIATIONS, CFB OFFICIAL AGREED THAT MUCH OR POSSIBLY MORE. FOR THE MOMENT ONLY CHANGE IN PROCEDURE WILL BE THAT CFB MUST BE INFORMED AND WILL MONITOR SHIPPING CONTRACTS, PRE-SUMABLY IN PREPARATION FOR EVENTUAL ARRANGEMENT WHEREBY CFB WOULD PRE-WAREHOUSE AND ALLOCATE FREIGHT IN ORDER TO COORDINATE AND AVOID DUPLICATION OF SAILINGS. CFB OFFICIAL STATED GSL PRESENTLY NOT TOO DISTURBED ABOUT AVAILABILITY AND SCHEDULING CEYLON/AMERICAN SAILINGS. OUR IMPRESSION IS THAT GSL SEES MAJOR PROBLEM BETWEEN SRI LANKA AND EUROPEAN CONFERENCES, NOT WITH US. CFB ATTITUDE MAY ALSO REFLECT SRI LANKA SHIPPERS COUNCIL SUCCESSFUL RE-NEGOTIATION, EFFECTIVE JULY 25, OF FREIGHT SURCHARGES DUE TO LAST DEVALUATION.

3. FINAL POINT IS THAT CFB LEGAL ESTABLISHMENT DEFINITELY IN LINE WITH GSL OBJECTIVE OF ENHANCING COMPETITIVE POSITION OF NATIONAL SHIPPING LINE WHICH SO FAR DOES NOT SERVE US PORTS.

4. DESPITE CFB ASSURANCES, NEW LEGISLATION COULD EVENTUALLY PRESENT PROBLEMS. WE SHALL OBTAIN FURTHER DETAILS, INCLUDING EFFECT ON OTHER CONFERENCES, AND POUCH ALONG WITH LEGISLATION SOONEST.  
VAN HOLLEN

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** MARINE TRANSPORTATION, CARGO SHIPS, STEAMSHIP LINES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 04 SEP 1973  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** garlanwa  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
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**Document Unique ID:** 00  
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**Office:** ACTION EB  
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**Original Handling Restrictions:** n/a  
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**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** US/SRI LANKA OCEAN SHIPPING  
**TAGS:** ETRN, CE, CENTRAL FREIGHT BUREAU, CFB  
**To:** STATE  
**Type:** TE  
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